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Jeff DeRouen, Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, Kentucky 40602

December 21, 2011

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PUBLIC SERVICE  
COMMISSION

**Louisville Gas and  
Electric Company**  
State Regulation and Rates  
220 West Main Street  
P.O. Box 32010  
Louisville, Kentucky 40232  
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Robert M. Conroy  
Director - Rates  
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**RE: *In the Matter of: The Application of Louisville Gas and Electric Company for Certificates of Public Convenience and Necessity and Approval of Its 2011 Compliance Plan for Recovery by Environmental Surcharge - Case No. 2011-00162***

Dear Mr. DeRouen:

In accordance with the Commission's Order dated December 15, 2011, in the above-referenced proceeding, Louisville Gas and Electric Company ("LG&E") files herewith an original and four copies of the following revised sheets of LG&E's Tariff P.S.C. Electric No. 8:

Eighth Revision of Original Sheet No. 1.1 canceling Seventh Revision of Original Sheet No. 1.1  
First Revision of Original Sheet No. 87 canceling Original Sheet No. 87  
Original Sheet No. 87.1  
Second Revision of Original Sheet No. 92 canceling First Revision of Original Sheet No. 92

Please contact me if you have any questions regarding this filing.

Sincerely,

Robert M. Conroy

Enclosures

# Louisville Gas and Electric Company

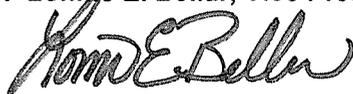
P.S.C. Electric No. 8, Eighth Revision of Original Sheet No. 1.1  
 Canceling P.S.C. Electric No. 8, Seventh Revision of Original Sheet No. 1.1

<b>GENERAL INDEX</b>			
<b>Standard Electric Rate Schedules – Terms and Conditions</b>			
<u>Title</u>	<u>Sheet Number</u>	<u>Effective Date</u>	
<b>SECTION 3 – Pilot Programs</b>			
RRP Residential Responsive Pricing Service	76	06-29-11	
GRP General Responsive Pricing Service	77	06-29-11	
RTP Real Time Pricing	78	12-01-08	
LEV Low Emission Vehicle Service	79	06-29-11	
<b>SECTION 4 – Adjustment Clauses</b>			
FAC Fuel Adjustment Clause	85	06-29-11	
DSM Demand-Side Management Cost Recovery Mechanism	86	12-30-11	
ECR Environmental Cost Recovery Surcharge	87	12-16-11	T
FF Franchise Fee Rider	90	10-16-03	
ST School Tax	91	08-01-10	
HEA Home Energy Assistance Program	92	01-01-12	T
<b>SECTION 5 – Terms and Conditions</b>			
Customer Bill of Rights	95	08-01-10	
General	96	02-06-09	
Customer Responsibilities	97	08-01-10	
Company Responsibilities	98	02-06-09	
Character of Service	99	08-01-10	
Specific Terms and Conditions Applicable to Rate RS	100	02-06-09	
Billing	101	08-01-10	
Deposits	102	08-01-10	
Budget Payment Plan	103	08-01-10	
Bill Format	104	08-01-10	
Discontinuance of Service	105	08-01-10	
Line Extension Plan	106	12-30-11	
Energy Curtailment and Restoration Procedures	107	08-01-10	

Date of Issue: December 21, 2011

Date Effective: January 1, 2012

Issued By: Lonnie E. Bellar, Vice President, State Regulation and Rates, Louisville, Kentucky



Issued by Authority of an Order of the KPSC in Case No. 2011-00162 dated December 15, 2011

# Louisville Gas and Electric Company

P.S.C. Electric No. 8, First Revision of Original Sheet No. 87  
Canceling P.S.C. Electric No. 8, Original Sheet No. 87

Adjustment Clause	ECR
<b>Environmental Cost Recovery Surcharge</b>	
<b>APPLICABLE</b>	
In all territory served.	
<b>AVAILABILITY OF SERVICE</b>	
This schedule is mandatory to all Standard Electric Rate Schedules listed in Section 1 of the General Index except CTAC and Special Charges, all Pilot Programs listed in Section 3 of the General Index, and the FAC and DSM Adjustment Clauses. Standard Electric Rate Schedules subject to this schedule are divided into Group 1 or Group 2 as follows:	
Group 1: Rate Schedules RS; VFD; LS; RLS; DSK; LE; TE; and Pilot Programs RRP and LEV.	
Group 2: Rate Schedules GS; PS; ITODS; CTODS; ITODP; CTODP; RTS; FLS; and Pilot Program GRP.	
Prior to billings for the first billing cycle in March 2012 (cycle beginning February 29, 2012), all rate schedules noted above will be included in Group 1 for purposes of determining and applying the Environmental Surcharge Billing Factor.	
<b>RATE</b>	
The monthly billing amount under each of the schedules to which this mechanism is applicable, shall be increased or decreased by a percentage factor calculated in accordance with the following formula.	
$\text{Group Environmental Surcharge Billing Factor} = \text{Group E(m)} / \text{Group R(m)}$	
As set forth below, Group E(m) is the sum of Jurisdictional E(m) of each approved environmental compliance plan revenue requirement of environmental compliance costs for the current expense month allocated to each of Group 1 and Group 2. Group R(m) for Group 1 is the 12-month average revenue for the current expense month and for Group 2 it is the 12-month average non-fuel revenue for the current expense month.	
<b>DEFINITIONS</b>	
1) For all Plans, $E(m) = [(RB/12) (ROR + (ROR - DR) (TR / (1 - TR)))] + OE - BAS + BR$ <ul style="list-style-type: none"><li>a) RB is the Total Environmental Compliance Rate Base.</li><li>b) ROR is the Rate of Return on Environmental Compliance Rate Base, designated as the overall rate of return [cost of short-term debt, long-term debt, preferred stock, and common equity].</li><li>c) DR is the Debt Rate [cost of short-term debt and long-term debt].</li><li>d) TR is the Composite Federal and State Income Tax Rate.</li><li>e) OE is the Operating Expenses [Depreciation and Amortization Expense, Property Taxes, and O&amp;M Expense adjusted for the Average Month Expense already included in existing rates]. OE includes operation and maintenance expense recovery authorized by the K.P.S.C. in all approved ECR Plan proceedings.</li><li>f) BAS is the total proceeds from by-product and allowance sales applicable to the pre-2011 Plans only.</li><li>g) BR is the operation and maintenance expenses, and/or revenues if applicable, associated with Beneficial Reuse applicable to the pre-2011 Plans only.</li><li>h) Plans are the environmental surcharge compliance plans submitted to and approved by the Kentucky Public Service Commission pursuant to KRS 278.183.</li></ul>	

Date of Issue: December 21, 2011

Date Effective: December 16, 2011

Issued By: Lonnie E. Bellar, Vice President, State Regulation and Rates, Louisville, Kentucky



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# Louisville Gas and Electric Company

P.S.C. Electric No. 8, Original Sheet No. 87.1

Adjustment Clause	ECR
<b>Environmental Cost Recovery Surcharge</b>	
<p>2) Total E(m) (sum of each approved environmental compliance plan revenue requirement) is multiplied by the Jurisdictional Allocation Ratio to arrive at Jurisdictional E(m). Jurisdictional E(m) is multiplied by the Group 1 and Group 2 percentages of total revenues to arrive at Group 1 E(m) and Group 2 E(m). Each individual Group E(m) is reduced by current expense month ECR revenue collected through base rates of each Rate Schedule included in the applicable Group to arrive at the Net Group 1 E(m) and Net Group 2 E(m).</p> <p>3) The Group 1 R(m) is the average of total Group 1 monthly base revenue for the 12 months ending with the current expense month. Base revenue includes the customer, energy, and lighting charges for each rate schedule included in Group 1 to which this mechanism is applicable and automatic adjustment clause revenues for the Fuel Adjustment Clause and the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 1.</p> <p>4) The Group 2 R(m) is the average of total Group 2 monthly base non-fuel revenue for the 12 months ending with the current expense month. Base non-fuel revenue includes the customer, non-fuel energy, and demand charges for each rate schedule included in Group 2 to which this mechanism is applicable and automatic adjustment clause revenues for the Demand-Side Management Cost Recovery Mechanism as applicable for each rate schedule in Group 2. Non-fuel energy is equal to the tariff energy rate for each rate schedule included in Group 2 less the base fuel factor as defined on Sheet No. 85.1, Paragraph 6.</p> <p>5) Current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.</p>	

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# Louisville Gas and Electric Company

P.S.C. Electric No. 8, Second Revision of Original Sheet No. 92  
Canceling P.S.C. Electric No. 8, First Revision of Original Sheet No. 92

Adjustment Clause	HEA
<b>Home Energy Assistance Program</b>	
<b>APPLICABLE</b>	
In all territory served.	
<b>AVAILABILITY</b>	
To all residential customers.	
<b>RATE</b>	
\$0.16 per meter per month.	
<b>BILLING</b>	
The HEA charge shall be shown as a separate item on customer bills.	
<b>SERVICE PERIOD</b>	
The Home Energy Assistance charge will be applied to all residential electric bills rendered during the billing cycles commencing October 1, 2007 through September 30, 2015, or as otherwise directed by the Public Service Commission. Proceeds from this charge will be used to fund residential low-income demand-side management Home Energy Assistance programs which have been designed through a collaborative advisory process and then filed with, and approved by, the Commission.	

Date of Issue: December 21, 2011

Date Effective: January 1, 2012

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